

November 16, 2009

TO: CITY MANAGER

VIA: COMMUNITY DEVELOPMENT DIRECTOR *SAX*

FROM: Planning Director *DM*

SUBJECT: Power Plant Development in the Coastal Zone Moratorium

The City Council adopted an urgency ordinance (CS-067) prohibiting the development of power generation plants within the coastal zone on October 20, 2009. This ordinance was in response to NRG's proposal to add additional power generation at the existing Encina Power Station site. Unless extended, the urgency ordinance is due to expire on December 4, 2009. California Government Code Section 65858(d) requires that a written report describing the measures taken to alleviate the subject urgency ordinance condition must be issued no less than 10 days prior to the expiration of the adopted urgency ordinance in order to consider an extension of the moratorium. The following is intended to serve as the required report.

As highlighted in the October 20, 2009 City Council meeting, the City has demonstrated a history of its desire to limit the expansion of the existing power plant and the development of new plants along the coast in favor of developing coastal properties with recreation, commercial, and tourism uses that are unique to the coast.

Since the October 20 meeting, the City has conveyed its objections to siting a new power plant along its coastline to the California Energy Commission (CEC), which is the State agency responsible for licensing new power plants. The CEC recognizes the City's concerns in its Final Staff Analysis which was released on November 12, 2009.

Additionally, during the October 20, 2009 council meeting, the City Council adopted Resolution No. 2009-263, which directs staff to prepare a land use analysis that studies where, if any, locations are acceptable for power generation in Carlsbad's coastal zone and to evaluate what appropriate land use designation(s) should be applied to Specific Plan Area 144 (this includes the Encina Power Station). Subsequent to the October 20 meeting, staff has met to identify and evaluate potential land use analysis options (Exhibit 1), which has resulted in a staff recommendation for City Council's consideration.

Staff expects that it will take several months to complete the above-mentioned land use study. For that reason, staff recommends that the City Council extend Urgency Ordinance CS-067.